Re-financing of farmers' loan

713. SHRI S.M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has devised a schema to allow commercial banks to re-financing the loans taken from money-lenders by farmers all over the country;

(b) what are the details thereof;

(c) whether banks have finalized any terms for re-financing the private money-lenders' loan;

(d) to what extent banks have implemented this scheme; and

(e) the details of the implementation of this scheme in the various States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) The announcement made by the Government on 18th June 2004 not only envisages increase in Ground Level Credit flow to agriculture and allied activities by 30% during 2004-05 and doubling the flow in three years, but also provide for many relief measures including relief measures for farmers indebted to non-institutional lenders, i.e. money-lenders. Reserve Bank of India (RBI) and Indian Banks' Association (IBA) have advised all the scheduled commercial banks on 24th June, 2004 and 9th July, 2004 respectively for providing relief to farmers, including farmers indebted to non-institutional lenders. IBA and RBI have prepared a model scheme for providing relief to farmers indebted to non-institutional lenders *vide* which banks will include the indebtedness intended to be taken over from non-institutional lenders as part of assessment of limits under Kisan Credit Card Scheme. Banks will also adopt a group approach (Self-Help Groups or Joint Liability Groups) for granting relief against indebtedness due to borrowings from non-institutional borrowers. The progress in implementation of the Scheme will be monitored on a continuous basis by the RBI, IBA and NABARD.

Norms on NRI deposits

714. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reserve Bank of India has revised the